GOVERNMENT OF INDIA
RURAL DEVELOPMENT
LOK SABHA

UNSTARRED QUESTION NO:1106
ANSWERED ON:23.11.2007
DIVERSION OF FUNDS MEANT FOR RURAL JOB SCHEMES
Jha Shri Raghunath;Reddy Shri Mekapati Rajamohan;Satpathy Shri Tathagata

Will the Minister of RURAL DEVELOPMENT be pleased to state:

(a) whether the Government is aware of diversion of funds allocated under National Rural Employment Guarantee Scheme for purposes other than generating employment in rural areas, as reported in `The Hindustan Times` dated October 17, 2007;

(b) if so, the details thereof; and

(c) the action taken by the Government in this regard?

Answer

MINISTER OF STATE IN THE MINISTRY OF RURAL DEVELOPMENT (SHRI CHANDRA SEKHAR SAHU)

(a): Yes, Sir. The cases as reported pertain to the states of Orissa and Chhattisgarh and have come to the notice of the Government.

(b)&(c): Centre for Environment and Food Security (CEFS) had conducted a survey of the implementation of National Rural Employment Guarantee Scheme in Orissa and has reported siphoning-off of funds meant for National Rural Employment Guarantee Scheme (NREGS). The matter has been taken up with the State Government of Orissa and it has been informed by them that the matter has been referred to National Institute of Rural Development, Hyderabad for inquiry. It is further informed by the State Government of Orissa that a Fact Finding Committee has also been constituted to discuss the matter with CEFS and submit a report. State Government has also asked the CEFS to come for discussion on its survey findings. C&AG is doing a performance audit of NREGA in Orissa in which it has particularly included the districts and the issues mentioned in CEFS report.

As regards Chhattisgarh, there were complaints regarding alleged purchase of pesticides and fertilizers from NREGA funds in Kanker district. The matter was taken up with the State Government of Chhattisgarh and the matter was enquired by the Employment Guarantee Commissioner, Chhattisgarh. The inquiry report has been received from the State Government informing that the Collector, Kanker,has been removed and the concerned CEO, Zilla Panchayat has been suspended. The Chief Executive Officers of the Block panchayats in which pesticides and fertilizers were purchased from NREGS funds, Deputy Director, Agriculture who gave technical sanction by including `land treatment` under `land development` and one APO of the Zilla Panchayat have also been suspended. The State Government has also informed that the amount spent on purchase of pesticides and fertilizers in Kanker will not be charged under the NREGA and such expenditure will be booked under other agriculture schemes run by the State Government. The Ministry had also deputed a National Level Monitor (NLM) to the district to conduct an inquiry. NLM has submitted his report which has been shared with the State Government. The Central Government has also requested the C&AG to conduct an audit in the district.